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SENATE STANDING COMMITTEE REPORT

January 23, 2007

Page 1 of 1

Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **Senate Bill 42** (first reading copy -- white) **do pass**.

Signed: _____

Vicki Cocchiarella
Senator Vicki Cocchiarella, Chair

- END -

Committee Vote:

Yes 11, No 0

Fiscal Note Required _____ *K7*

151231SC.spb



SENATE STANDING COMMITTEE REPORT

January 23, 2007

Page 1 of 1

Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **Senate Bill 53** (first reading copy -- white) **do pass as amended.**

Signed: _____

Vicki Cocchiarella
Senator Vicki Cocchiarella, Chair

And, that such amendments read:

1. Page 1, line 27.

Strike: "serves"

Insert: "benefits"

2. Page 1, line 28.

Following: "residents"

Insert: "and that benefit outweighs the potential increased cost to the public and limitation on competition"

- END -

Committee Vote:

Yes 11, No 0

Fiscal Note Required _____

KF

151232SC.spb



SENATE STANDING COMMITTEE REPORT

January 23, 2007

Page 1 of 1

Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **Senate Bill 54** (first reading copy -- white) **do pass**.

Signed: _____

Vicki Cocchiarella
Senator Vicki Cocchiarella, Chair

- END -

Committee Vote:

Yes 11, No 0

Fiscal Note Required _____

K

151233SC.spb



SENATE STANDING COMMITTEE REPORT

January 24, 2007

Page 1 of 4

Mr. President:

We, your committee on **Business, Labor, and Economic Affairs** recommend that **Senate Bill 157** (first reading copy -- white) **do pass as amended.**

Signed:

Vicki Cocchiarella
Senator Vicki Cocchiarella, Chair

And, that such amendments read:

1. Title, line 7.

Following: "33-1-201,"

Strike: "33-1-603,"

Insert: "33-1-311,"

Following: "33-4-312,"

Strike: "33-4-505,"

2. Title, line 8.

Following: "33-20-1315,"

Insert: "33-22-121, 33-22-122,"

3. Page 2.

Following: line 17

Insert: "Section 2. Section 33-1-311, MCA, is amended to read:

"33-1-311. **General powers and duties.** (1) The commissioner shall enforce the applicable provisions of the laws of this state and shall execute the duties imposed on the commissioner by the laws of this state.

(2) The commissioner has the powers and authority expressly conferred upon the commissioner by or reasonably implied from the provisions of the laws of this state.

(3) The commissioner shall administer the department to ensure that the interests of insurance consumers are protected.

(4) The commissioner may conduct examinations and investigations of insurance matters, in addition to examinations and investigations expressly authorized, as the commissioner considers proper, to determine whether any person has violated any provision of the laws of this state or to secure information useful in the lawful administration of any provision. The cost of

Committee Vote:

Yes 11, No 0

Fiscal Note Required

Kf

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additional examinations and investigations must be borne by the state.

(5) The commissioner shall maintain as confidential any information or document received from:

(a) the national association of insurance commissioners; or

(b) an insurance department from another state or, a federal agency, or a foreign government that treats the same information or document as confidential. The commissioner may provide information or documents, including information or documents that are confidential, to the national association of insurance commissioners, a state or federal law enforcement agency, a federal agency, a foreign government, or an insurance department in another state, if the recipient agrees to maintain the confidentiality of the information or documents.

(6) The department is a criminal justice agency as defined in 44-5-103."

Renumber: subsequent sections

4. Page 2, line 19 through page 3, line 1.

Strike: section 2 in its entirety

Renumber: subsequent sections

5. Page 3, line 14 through page 4, line 10.

Strike: section 4 in its entirety

Renumber: subsequent sections

6. Page 7, line 10.

Following: "disposition"

Insert: "resulting in disciplinary action"

Following: "against"

Insert: "or a conviction of"

7. Page 7, line 15.

Following: "(b)"

Insert: "(i)"

Following: line 16

Insert: "(ii) The term does not include an action that is dismissed or that results in an acquittal, for which no report is necessary."

8. Page 13.

Following: line 5

Insert: "**Section 13.** Section 33-22-121, MCA, is amended to read:

"**33-22-121. Notice required for cancellation or refusal to renew.** (1) An insurer may not cancel or refuse to renew a disability insurance policy or certificate until the insurer has mailed or delivered to the named insured and to the policyowner;

or certificate holder, as appropriate if they are not the same as the named insured, at the last-known post office address shown in the records of the company, one written notice in addition to any billing statement, stating the date the cancellation or refusal to renew will become effective, which may not be less earlier than:

(a) 30 days after the date of mailing or delivery of the notice of cancellation for nonpayment of premiums or a material misrepresentation contained in the application the beginning of the period for which premiums have not been paid in full if the notice of cancellation for nonpayment of premiums is mailed or delivered within 15 days after the due date of the missed premiums for that period;

(b) the date of mailing or delivery of notice of cancellation for nonpayment of premiums if notice of cancellation for nonpayment of premiums is not mailed or delivered within 15 days after the premium due date for the applicable policy period;
or

(c) 90 days after the date of mailing or delivery of the notice of cancellation or refusal to renew for any reason other than nonpayment of premiums or a material misrepresentation contained in the application.

(2) An insurer shall give notice of cancellation at least 30 days in advance of cancellation for nonpayment of premiums or 90 days in advance of cancellation or refusal to renew for any reason other than nonpayment of premiums or a material misrepresentation contained in the application.

(3) An insurer may not cancel a disability insurance policy or a certificate based upon nonpayment of premiums if the premiums are paid in full within the 30-day notice period.

(4) The notice requirements in subsections (1) and (2) run concurrently with any grace period required by 33-22-206."

Insert: "Section 14. Section 33-22-122, MCA, is amended to read:

"33-22-122. Contents of notice -- proof -- limitation on recovery -- exemptions. (1) (a) The notice of cancellation must state:

(i) the amount of the premium, installment, or interest due on the policy or certificate;

(ii) the place where it must be paid; and

(iii) the name and address of the person or company to which the premium is payable.

(b) The notice must also state:

(i) that, unless the premium or other sums are paid to the company or its insurance producer, the policy or certificate will lapse or be forfeited will be canceled; and

(ii) the date, determined in accordance with 33-22-121, on which cancellation will become effective.

(2) "Policyowner" or "certificate holder", as used in this section, means the owner of the policy or certificate or any

other person designated as the person to receive premium notices, as shown by the records of the insurance company.

(3) ~~The affidavit of~~ If any responsible officer, clerk, or insurance producer of the insurance company authorized to mail the notice states in an affidavit that it is the standard practice of the company to mail to policyowners or certificate holders the notice required by this section, the affidavit is prima facie evidence that the notice has been ~~duly~~ given.

(4) An action may not be maintained to recover under a lapsed or forfeited policy or certificate on the ground that the insurance company failed to comply with this section unless the action is instituted within 2 years from the due date upon which default was made in paying the premium, installment, or interest for which lapse or forfeiture is claimed.

(5) Section 33-22-121 does not apply to:

- (a) group ~~or group-type policies~~ health plans; or
- (b) industrial life or industrial disability policies."

Renumber: subsequent sections

9. Page 25, line 11.

Strike: "17"

Insert: "18"

- END -

**MONTANA STATE SENATE
2007 LEGISLATURE**

VISITOR REGISTER

BUSINESS, LABOR AND ECONOMIC AFFAIRS

DATE 1-23-07

BILLS BEING HEARD TODAY SB 191, 204, 209, 214

PLEASE PRINT

NAME	PHONE	REPRESENTING	BILL #	SUPPORT	OPPOSE
Wayne Johnston	841-2370	Board of Private Security	SB 209	X	
Bob Worthington	443-0907	MPIA	SB 191		X
George Wood	406-549-8849	MT. Self-Insurers Assoc	SB 191		X
Larry L. B. Bee	360-770 6925	PCIAA	SB 204	Amendment	
Self Koch	542-5203	Self	SB 209	X	
Charles Brooks	648-2380	Yellowstone Natl Park	SB 204	X	
Ben Hurst	721-2100	Equity Manufacturing	SB 209	X	
T. A. Smith	442-1708	AF4-CIO	SB 121		X
Keith Messmer	444-6541	Dept of Labor	SB 191/214		
Bruce Halero	449-3372	MCRS	SB 204	X	
Donna Fastenau	652-1440	MCRS	SB 204	X	
Chuck Liles	442-2500	MCRS	SB 204	X	
Mary "Marty" Phippen	262-2459	MT. Assn Clerks of Dist. Ct	SB 209	X	
Nancy Sweeney	447-8215	L&C County Clerk Dist Court	SB 209	X	
Greg Van Housen	2-0230	State Farm Ins	SB 204		X
Ruby Johnson	3-3797	NFIB	SB 204 SB 191		X X
Sheen Wood	444-4360	MACo	SB 209	X	
Reginae Benmark	2-0230	AIA	SB 204		X
Nancy Butler	444-7725	MT State Fund	SB 214 SB 191	X	X
Sary Regreberg	2-4162	Contractors' Assn.	SB 191		X
Freddie Cote	3-9070	FUMIC	SB 204		X

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

VISITOR REGISTER

DATE 1-23-07

BILLS BEING HEARD TODAY SB 191, 204, 209, 214

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PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY